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OPTION

Dated this 27th day of September, 1958 at Bay City, Michigan.

KNOW ALL MEN BY THESE PRESENTS that Edward J. Arnold, a single man, of Route # 1, Bay City, Michigan, party of the first party, in consideration of Five Hundred and no/100 Dollars ($500.0), and other valuable considerations, receipt of which is hereby acknowledged, does hereby give and grant unto the Board of Trustees for Tri-County College District, Counties of Saginaw, Bay and Midland, Michigan, party of the second party, or its successors and assigns, the OPTION and RIGHT TO PURCHASE on or before December 15, 1958, all real property owned by him in Section 3, Town 13 North, Range 4 East, Frankenlust Township, Bay County, Michigan, including but not limited to 80 acres described as follows:

The Northwest Quarter of the Northeast Quarter, and
the Northeast Quarter of the Northwest Quarter

for the sum of Fifty Thousand Dollars ($50,000.00).

It is agreed as follows as respects further conditions of this Option:

1. That the party of the second part shall on or before December 15, 1958 give written notice to first party of its election to exercise this Option. The mailing in a postage prepaid envelope addressed to first party at Route # 1, Bay City, Michigan, shall consitutue the giving of proper notice for the purpose of this Option. Upon the giving of such notice the first party shall promptly deliver to second party through its secretary, Oscar M. Anderson, at 927 Saginaw Street, Bay City, Michigan, all abstracts of title and tax histories. Extension of the same shall be paid for by second party.

In the event no defects of title are discovered upon examination of the abstracts, the transaction shall be closed in a place in Bay City, Michigan, to be designated by the second party at which time the first party will convey to

second party by Warranty Deed marketable title in fee simple to the aforesaid premies, and the purchaser shall pay thirty (30) per cent of the purchase price (credit being given second party thereon for the $500.00 paid for this Option). Second party will place in escrow the balance of the purchase price, at interest, and pay to first party thirty-five (35) per cent of the purchase price in January of 1959, and the final thirty-five (35) per cent of the purchase price in January of 1960. Interest on the escrow will also be paid to first party. Provided, however, that if first party purchases another farm, second party will pay the purchase price in full upon demand.

Taxes shall be paid by the First party through and including the taxes due in December, 1958.

2. In the event there are any title defects, the parties shall cooperate in removing the same. But in the event they are not removed within thirty (30) days, or such further time as said party of the second part shall from time to time grant the first party in writing, the second party may election to (a) accept the title subject thereto, discharge out of the agreed purchase price any encumbrances of a definite or ascertainable amount, and this transaction shall then be closed as provided, in the paragraph above, or (b) refuse to accept the title, in which event this Option shall be of no further force or effect, and the option money shall be returned to second party.

3. It is further understood that first party may occupy the following portion of the above described premises rent free for a period of five (5) years from date of Deed, provided, however, that if for any reason the said leased portion is legally on the tax rolls, said second party shall pay the taxes so assessed.

It is also agreed that no waste shall be committed on the said premises above described, and no trees shall be cut down.

The leased premises are described as the entire Northwest quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter, Section 3, Town 13 North, Range 4 East, Frankenlust Township, Bay County, Michigan

It is further agreed that at any time while first party is not in default under said lease and before the termination thereof either by the end of the term or by default, first party may remove from the premises leased any;and all buildings now presently on the same.

As a further consideration of this lease, first party agrees that second party shall have the right to run any water or sewage or electric lines through the property at any time; and as a further consideration for this lease first party agrees that during its occupancy of said land under said lease it will keep the premises free from any mechanics lien or other liens caused by any act or negligence of lessee and shall release and agrees to indemnify and save harmless the second party from and against any damages, costs and charges arising as the result of injury including death or damages to the person or property of lessee or others where such injury or damages result directly or indirectly from lessee's use or occupancy of the premises.

Default in any of these conditions shall also act as a default of the lease and give second party the option to terminate the same.

Lessee's use of the premises shall be limited to the present buildings on the property and to the present residential and farm purposes only.

It is understood and agreed that if second party fails to exercise this Option then said Option shall cease and the $500.00 paid thereunder shall be retained by the party of the first party.

IN WITNESS WHEREOF the first party has hereunto placed his hand and seal the day and year first above written.

In Presence Of:

Lloyd W. Bartlett

Anna Mae Potter

Anna Mae Potter

Edward J. Arnold (L. S.)
Edward J. Arnold